

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: AREA CODE 515 RELIEF PLAN	DOCKET NO. SPU-99-22
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ORDER ALLOCATING BOARD EXPENSES

(Issued July 31, 2001)

On July 23, 1999, the North American Numbering Plan Administrator (NANPA) filed with the Utilities Board (Board) a recommendation for area code number exhaustion relief for the 515 area code. The recommendation was filed on behalf of the Iowa telecommunications industry in the affected area. NANPA filed the recommendation with the Board pursuant to 47 C.F.R. § 52.19(a) (1999), which delegates responsibility to the Board to determine the most appropriate form of relief when an Iowa area code is near exhaustion.

The Federal Communications Act of 1934, as amended by the Telecommunications Act of 1996, gives the FCC plenary jurisdiction over numbering issues in the United States. 47 U.S.C. § 251(e)(1). The statute permits the FCC to delegate all or a portion of its jurisdiction to state public utility regulatory bodies.

The FCC exercised its authority to delegate to state agencies when it adopted 47 C.F.R. § 52.19(a), which provides:

State commissions may resolve matters involving the introduction of new area codes within their states. Such matters include, but are not limited to: Directing whether

area code relief will take the form of a geographic split, an overlay area code, or a boundary realignment; establishing new area code boundaries; establishing necessary dates for the implementation of area code relief plans; and directing public education and notification efforts regarding area code changes.

The Board is the state agency that regulates the rates and services of public utilities in Iowa, including telecommunications utilities. Iowa Code § 476.1 (2001). The Board has express authority to conduct proceedings in matters delegated to it under 47 U.S.C. § 251, pursuant to Iowa Code § 476.101(10), which provides that when conducting such proceedings, the Board

[S]hall allocate the costs and expenses of the proceedings to persons identified as parties in the proceeding who are engaged in or who seek to engage in providing telecommunications services or other persons identified as participants in the proceeding.

(Id.) The Board previously assessed the costs of this docket as a part of its direct and remainder assessments under § 476.10, but § 476.101 requires assessment to the parties and participants in this docket¹. The Board intends to correct its prior assessments using the allocation described below.

The first step in the allocation process is to identify the participants. The following telecommunications entities participated in this docket: AT&T Communications of the Midwest, Inc. (AT&T); GTE Midwest Incorporated, n/k/a Iowa Telecommunications Services, Inc. (Iowa Telecom); MCI WorldCom Inc. (MCI); U. S. Cellular Corporation (U. S. Cellular); U S WEST Communications, Inc., n/k/a

Qwest Corporation (Qwest); and the Iowa Telecommunications Association (ITA).

The costs and expenses of this proceeding will be allocated among these six participants.

As a general matter, the Board allocates its expenses among regulated utilities based upon the revenues of each utility, so utilities with larger annual revenues pay a greater share. See, for example, § 476.10 (allocating the Board's remainder expenses according to utility gross operating revenues). The equity of this allocation method is clear; companies with larger revenue streams are typically better able to spread the costs of regulation over a larger portion of the public that benefits from regulation. While the specific statutory requirement of § 470 Tcn(O)10.c(of)-1(s)3.1(cl)5.nOm

DOCKET NO. SPU-99-22

The second adjustment affects U. S. Cellular, which does not report revenues for dual party relay assessment purposes. The Board does not receive any report from U. S. Cellular regarding its Iowa revenues (or its revenues from customers in the original 515 area code, for that matter). Lacking any revenue information, the Board will assess U. S. Cellular a one-sixth share of the costs and expenses of this proceeding, based upon the fact that there are six assessable participants in this proceeding.

The total costs and expenses incurred by the Board and the Consumer Advocate Division of the Department of Justice (Consumer Advocate) in this proceeding are \$81,250. When that total is allocated among the six participants as described above, the assessment to each participant is as follows:

<u>Participant</u>	<u>Assessment</u>
AT&T	\$7,609.12
Iowa Telecom	\$10,560.70
ITA (other than Iowa Telecom and Qwest)	\$12,043.26
MCI	\$4,848.63
U. S. Cellular	\$13,539.36
<u>Qwest</u>	<u>\$32,535.06</u>
Total	\$81,236.13

Each participant will be assessed the amount shown above.

The Board recognizes that this allocation of the costs and expenses associated with this proceeding is based upon certain assumptions, as described above. The Board believes the resulting allocation is reasonable and that any attempt at greater precision would not be cost-effective. If, however, the participants

for which the Board does not have revenue figures believe the Board should consider their revenues, the Board is willing to consider that information. Accordingly, the Board will allow those participants 30 days to file Iowa revenue information for the Board's consideration, if they so choose. If no additional information is filed with the Board by that time, the Board will assess the costs and expenses of this proceeding to each of the participants as shown above (or adjust past assessments, to the extent these costs have been included in the direct or remainder assessments in the past). If additional information is filed, the Board will consider that information and adjust this allocation, if appropriate.

IT IS THEREFORE ORDERED:

The Board and Consumer Advocate costs and expenses associated with this proceeding will be allocated as shown above, unless one of the participants files revenue information with the Board as described above. Any such information must be filed within 30 days of the date of this order.

UTILITIES BOARD

/s/ Allan T. Thoms

/s/ Diane Munns

ATTEST:

/s/ Judi K. Cooper
Acting Executive Secretary

Dated at Des Moines, Iowa, this 31st day of July, 2001.